

Second Quadrennial Report

OF THE

Department of Educational Institutions

OF THE

BOARD OF CHRISTIAN EDUCATION

OF THE

METHODIST PROTESTANT CHURCH

*(Succeeding The Board of Ministerial Education, and The
Board of Education, and The Board of Young People's Work)*

Presented to the General Conference of the Methodist Protestant
Church in its Twenty-seventh Quadrennial Session
First Church, High Point, North Carolina
May 20, 1936

WORLD SERVICE FINANCIAL REPORT

Department of Religious Education

May 1, 1932 to April 30, 1936

	1933	1934	1935	1936
Balance May 1	\$ 128.96	\$ 17.73	\$ 385.35	\$ 564.77
RECEIPTS				
Budget Apportionment	3,179.46	4,109.01	4,078.22	4,592.01
Budget Specials	56.00	143.24	142.43	121.88
Bonds Maturing			3,000.00	
Interest on Bonds	270.00	180.00	180.00	
Convention Donations			115.00	
Refund Leadership Training Schools	479.75	200.00		
Refund on Travel Expense	200.00			
Loan		1,500.00		
TOTAL RECEIPTS	\$4,314.17	\$6,149.98	\$7,901.00	\$5,278.66
DISBURSEMENTS				
Secretary's Salary	\$1,108.33	\$4,275.00	\$2,700.00	\$2,700.00
Secretary's Travel	413.59	197.80	262.49	334.91
Stenographer's Salary	885.00	760.00	960.00	927.50
Stenographer's Travel	19.00			
Moving Expense			150.00	
Office Rent	165.00	195.00	180.00	180.00
Office Expense	237.89	104.40	107.00	92.77
Executive Secretary (Past Quad.)	495.05			
Board Meeting Expense	393.82	54.62	51.50	
Advance on Convention Expense			115.00	
Special—Board of Missions			94.50	75.00
Note Payable			2,500.00	
International Council Contribution	50.00	25.00	25.00	100.00
Exhibit Expense—General Conference	14.02			
Tax on Checks .....	.99	.83	.74	
Young People's Commission Fee	8.00			
Interest on notes	60.00	105.00	190.00	
Correspondence Courses	25.00			
Printing and Literature	220.75	46.98		
Leadership Training Schools	200.00			100.00
TOTAL DISBURSEMENTS	\$4,296.44	\$5,764.63	\$7,336.23	\$4,510.18
Balance April 30	\$17.73	\$385.35	\$564.77	\$768.48

OFFICE ACCOUNTS—FINANCIAL REPORT

Department of Religious Education

	1933	1934	1935	1936
RECEIPTS				
Printing and Literature	\$ 233.50	\$ 121.98	\$.....	\$.....
Leadership Training	979.18	830.29	879.29	1,228.45
Office Expense	253.97	273.00	291.55	298.47
Textbook	388.50	573.33	685.23	1,012.44
Dramatic		99.76	15.61	2.40
Young People's Day		1,047.54	255.31	304.86
Traveling Expense (Refund)		60.00		
Special Accounts—Equalization Fund		110.59		
Moving Expense		150.00		
Convention			178.55	571.92
TOTAL RECEIPTS	\$1,855.15	\$3,266.49	\$2,305.54	\$3,418.54
Balance May 1		57.54	172.46	3.74
TOTAL	\$1,855.15	\$3,324.03	\$2,478.00	\$3,422.28
DISBURSEMENTS				
Printing and Literature	\$ 233.50	\$ 121.98	\$.....	\$.....
Leadership Training	756.01	1,089.30	1,073.25	1,492.67
Office Expense	253.97	272.90	271.65	316.02
Textbook	377.51	531.00	489.81	728.52
Tax on Checks	1.62			
Advance for Young People's Day	175.00			
Traveling Expense		60.00		
Dramatic Account		90.83	13.15	13.79
Special Accounts—Equalization Fund		110.59		
Moving Expense		2.43	147.57	
Convention			223.52	526.95
Young People's Day		872.54	255.31	304.86
TOTAL DISBURSEMENTS	\$1,797.61	\$3,151.57	\$2,474.26	\$3,382.81
Balance April 30	\$57.54	\$172.46	\$3.74	\$39.47

QUADRENNIAL REPORT

Department of Educational Institutions

First Church, High Point, North Carolina

May 20, 1936

TO THE GENERAL CONFERENCE:

Friends—

The world is facing one great need, that is a better type of leaders. Europe is in turmoil because men with narrow vision, selfish motives, brutal spirits, cynical attitudes and a lust for power determine her destiny. America struggles slowly and haltingly forward because she is handicapped by those in business, politics, school and church who are in the grip of outworn standards, unethical practices, vicious social systems, wrong attitudes, debasing loyalties, and un-Christian principles. In the light of such conditions it is a miracle that civilization has reached its present high state. Mankind does enjoy a large measure of freedom; life is fairly secure; men and women have a good share of peace, privilege and happiness; knowledge and understanding are growing by leaps and bounds. In spite of much injustice, greed, vanity, poverty, crime, unemployment, confusion and war, we can not help feel the world does have some Christian qualities or character because of the great numbers of men and women who live nobly, fear God and keep his commandments. They are often frustrated and frequently defeated because of the kind of leadership we have.

The only institution capable of producing the highest type of leaders is the Church of Christ by means of its educational agencies and institutions. Business is not doing it. Sports are not doing it. Politics is certainly not doing it. The socially prominent are not doing it. Fraternities are not doing it. Our factories are not doing it. And there is doubt about the ability of our state colleges and universities to do it. The trouble with all these agencies or social entities is in their essential spirit and central motive. A close examination reveals militaristic qualities and a materialistic motive. The inevitable result is lower ideals, more selfish objectives, moral confusion and spiritual injury.

The church is something different. It is an organization dedicated to unselfish purposes and the highest good of mankind. It is a benevolent and enlightening agency. One of the greatest truths the Master uttered was this, "I am the light of the world." The church is Christ at work in the world. "In Him was life; and the life was the light of men." It is true that many seem to love darkness rather than light. This is not because of depraved natures or innate vicious or sinful impulses, but it is due to bad home influences and training, vicious environment, degrading associates, immoral counselors, unfortunate physical inheritance, privation, insufficient play and deficient food. Most of these unfortunate conditions could be corrected by a better education, enlightened training, a deeper spiritual motive, and a more Christian leadership. If we understood better, we would live better.

Education in itself is not a panacea. It can and does accomplish wonders. But if its moral foundations are lacking it is dangerous. If it is confined to the mastering of facts and the accumulation of knowledge it is deficient. If its main objective is physical or material power it is shortsighted and utterly lacking in appreciation of human values. If its motives are marked by selfishness it is essentially pagan and will ultimately destroy pure culture and true civilization.

Only one thing can save the soul of society and build an adequate and secure social order and that is Christian education. By that we mean an education so inclusive, so grounded in spiritual insight and values, so per-

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Westminster Theological *President*, C. E. FORLINES

faculties. With a loyalty which has seldom been matched anywhere, entailing unbelievable personal sacrifices and hardships, working day after day for a mere pittance and that coming with harrowing irregularity, these consecrated co-laborers have demonstrated their devotion to the cause of Christian education beyond all question or dispute. No finer spirit is to be found anywhere.

The teachers in our schools are the last in the world to seek public recognition, to desire to be singled out for special praise, or to be held up as examples of superior Christian character and virtue. Now, as always, they prefer to carry on their chosen work in behalf of our youth quietly, modestly and unobtrusively. Even this small effort to express our appreciation will not elicit any special commendation. But they deserve all, and more. We are glad to dedicate this issue of our quadrennial report to them as an expression of the appreciation of the Board of Christian Education and of the Methodist Protestant Church, for work well and faithfully done.

Every forward looking denomination maintains schools of higher learning. These are not alone centers for the training of those who intend to give themselves to full-time Christian service. If they were the results would justify the cost. But their benefits go much farther. Many Christian young people have other vocations in mind, such as law, medicine, engineering, nursing, teaching, journalism, physical education, and business. Earnestly desiring to enter upon the responsibilities of life well prepared they long for the best educational foundation possible. They and their parents look with confidence upon the schools fostered by the church. These are home extension enterprises where much of the atmosphere and the influence of the home are to be found.

All Christian young people desiring it should have the advantages of such institutions. There they find congenial associates, friendly teachers and interested administrators. The cost of maintaining our colleges and seminary is justified many times over in the full-time Christian leaders it is producing. It is justified yet more in the large number of young people of Christian character, spirit and motive who each year go forth into other occupations and forms of service.

It is our profound conviction that the major task of the church is comprehended in the term "Christian Education." And, we would add, Christian higher education. The Methodist Protestant Church is moving forward in its understanding and appreciation of these things. It is increasingly conscious of its primary responsibility to its growing youth. With equal determination it is supporting this work with greater earnestness and devotion.

Four years ago the General Conference, recognizing not only an emergency but a vital cause, made better provision for this department of its World Service undertakings. We must not retrace our steps or relinquish our endeavors. The youth of America, of our church and our homes must be saved first! Full provision must be made for the spiritual conservation and development of our young people. If we lose *them* we lose *everything*. The future church and the future of the church depend upon what we do for them now. If the church neglects them she commits suicide.

* * * * *

The following comments and statistical records attempt to give a bird's eye view of the work administered by this Department of the Board of Christian Education during the last four years. It is a record of progress and accomplishment which should gratify every member of the Methodist Protestant Church interested in the cause of Christian higher education. Back of these figures is a story of labors abundant, of sacrificial service, of courage, devotion, and loving loyalty. If comparisons could be made with the situation twenty-five, or even ten years ago it would tell more eloquently the actual progress being made.

We are on the way, but we have not arrived! None of our schools is sufficiently endowed. None provides for their teachers in keeping with other schools or with the value of the service given. None has the building and equipment urgently needed. The service to the students given by the Board in the form of loans is sorely limited because of an insufficient income. When the Board of Christian Education and our colleges and Seminary are

meated with Christian ideals and philosophy, so saturated with Christian motives, objectives and principles that the kind of men and women produced will be found prepared for the leadership which will guide mankind wisely and surely along the upward pathway to noble character, rational relationships, comprehensive culture, moral mindedness and a splendid spirituality.

The hope for these things is unquestionably confined to those institutions dedicated to the cause of Christian education. That includes the home, the basic unit of society. The character of the home determines the character of the children in the home, and the character of the children finally determines the character of our social order. It includes the church which through its services of worship, formal instruction, fellowship and ministries to others brings life and light to countless needy souls. It includes all those agencies promoted by the church, and by some outside the church, in the interests of children and youth and which are endeavoring to build character and to better equip individuals for living and for work.

Above all, it includes all those institutions of higher learning ministering to the experiences of mature youth during the liberal arts and vocational training period. If at the heart of all these agencies there is a spirit, a motive, a purpose, an attitude, a principle that is Christian there is solid ground for the hope of producing leaders of such character that the Kingdom of God may come and his will be done on earth even as it is in heaven.

The enterprise engaging the attention of the Church of Christ depends upon the product of the colleges, seminaries, and universities conducted by the church. Is it a competent leadership for our pulpits? Is it suitable teachers for our boys and girls? Is it missionaries for the fields at home and abroad? Is it someone to be our editors, secretaries, presidents, superintendents? Is it leaders for the work of the local church? Is it evangelists to proclaim with unction the good tidings of great joy? There may be some who can do these things with limited educational equipment. But we cannot make a general rule by exceptional cases. A sad and disappointing experience has taught us the wisdom of depending upon the literate rather than the illiterate, upon the enlightened rather than the unenlightened, upon the trained rather than the untrained. It is to this solemn and sacred end that our colleges and seminary are dedicated. Christian education not only produces Christian character but prepares for places of usefulness in the work of the world and the Kingdom.

During the last half dozen years scores of junior and senior colleges and some of university grade have succumbed to the disintegrating forces coming out of the depression. The schools of the Methodist Protestant Church have come through this period with flying colors and in many ways are stronger than at any time in their history. This is an achievement of real significance. So far as we are able to learn it is not duplicated in any other denomination in America. To whom is credit due for this amazing accomplishment? To the careful, far-sighted, judicious administration of our schools? In a measure, yes. We have been most fortunate in the men at the head of them. The names of Dr. Elderdice, Dr. Ward, Dr. Feeman, Dr. Humphreys, Dr. Holloway, Dr. Forlines and Rev. Sutton should be cherished for years to come because of the things accomplished in behalf of our colleges and seminary.

Is it due to the service of the Board of Christian Education? In a measure, yes. Resorting to the extraordinary procedure of pledging its securities to secure funds, loans were made to tide our schools over the early years of the depression. Expenses of the Board were sharply reduced. Extra help by way of personal co-operation and council was given. In addition the church resumed the larger ratio of distribution of other years thus enabling the Board to maintain more satisfactory appropriations.

Is it due to the loyal alumni and friends who have continued their gifts in spite of grave personal losses? In a measure, yes. Many a dark and gloomy day for our executives has been cheered and brightened by an unexpected contribution from a friend who was ready to make special sacrifices for the sake of the cause symbolized by college or seminary.

The chief credit for the continuance, growth and brighter prospects for these institutions must go to the men and women who make up their

inary. The curriculum was enlarged, extension classes developed, the main building redecorated, the enrollment increased, and the school carried successfully through the greatest depression the country has ever experienced.

Rev. Charles E. Forlines, D. D., LL. D., succeeded to the presidency December 1, 1935. Few names are better known in the Methodist Protestant Church than that of Dr. Forlines. He graduated from Western Maryland College and the seminary, taught several years at Adrian and then came to Westminster. Those competent to judge rate him as one of the finest scholars and theologians in America. Wherever he goes he is noted for his friendliness, extensive knowledge, lofty Christian character and remarkable ability as a teacher. He has had a very successful administration.

Statistical Record

	1932-33	1933-34	1934-35	1935-36
Enrollment (Total)	70	64	63	110
Men	54	52	57	107
Women	16	12	6	3
M. P.'s	48	41	50	85
M. P. Ministerial	48	41	50	85
Graduates (Total)	12	11	17	11
Men	11	11	17	11
Women	1	..	..	..
Administrative				
No. Employed	$\frac{1}{2}$	$\frac{1}{2}$	..	..
Average Salary	350.00	350.00	.....	.....
Faculty				
No. Employed	5	6 $\frac{1}{2}$	6	5
Average Salary	1,940.00	1,761.00	1,940.00	1,966.30
Endowment (Total)	38,337.10	55,000.00	80,723.00	88,559.86
Productive	38,337.10	50,000.00	80,723.00	50,836.42
Non-Productive .....	.....	5,000.00	.....	37,723.44
Income (Total)	11,958.50	11,913.84	14,746.36	10,130.80
Endowment	1,739.55	1,738.00	1,892.48	1,893.56
Students	7,001.55	5,967.00	8,613.65	4,007.50
Appropriations (Bd. of Chr. Ed.)	3,217.40	4,208.84	4,240.23	4,229.74
Proposed Budget .....	.....	.....	23,584.87	14,985.05
Indebtedness (Cur. Oper.) ..	.....	.....	1,200.00	1,200.00
Valuation (Total)	190,000.00	170,000.00	168,500.00	157,723.00
Campus	17,000.00	5,000.00	5,000.00	5,000.00
Buildings	143,000.00	160,000.00	157,500.00	146,723.00
Equipment	30,000.00	5,000.00	6,000.00	6,000.00

supported in keeping with the service rendered the church will be stronger, its ministers more effective, and its power multiplied. It is well to remember:

"THE LIGHT THAT SHINES FARTHEST SHINES
BRIGHTEST AT HOME."

COLLEGES AND SEMINARY

The Methodist Protestant Church recognizes, helps to maintain, and gives its co-operation to one theological seminary, three senior colleges, and one junior college. Each is well located not only in relation to the denominational constituency but also in relation to its immediate community.

It is not necessary to recount the difficulties through which each has passed in the last half dozen years. No words can describe the anxieties, the distracting discouragements, the depressing financial problems and the incessant uncertainties. Had it not been for a steadying faith and sustaining confidence in the indispensable character of the service rendered, presidents and teachers would have given up long ago. Endowments are insufficient, buildings and equipment are inadequate, the financial support from the church is limited, while the gifts from alumni and other friends are far below what is reasonable to expect. In spite of these deficiencies, and due principally to the heroic sacrifices and devotion of administrators and faculties, these splendid institutions have not only survived but they have recovered much lost ground and seem destined to continue their growth and progress.

The service being rendered by our colleges and seminary is unequalled anywhere, except in the home. Young people are taken in the most critical period in their lives and in an atmosphere marked by friendliness, Christian guidance and emphasis, and a spirit of idealism and altruism, they develop well rounded characters and go out into the world among their fellows as those who serve.

The denominational group remains about the same in number, one-fourth of which are young men preparing for the Christian ministry. The increased enrollment comes from those who are members of other churches. The large number of students has resulted in a slight increase in financial returns but far below the amount one might expect. The fact of the matter is hardly 25 per cent of the students are in a position to meet their charges. Concessions of one kind or another have to be made, and this usually at the expense of the school. If this were not done hundreds of young people could not enter college.

The following tables if carefully studied will give some idea of the material, financial and spiritual equities tied up in these institutions. It is the most valuable feature of our denominational life and program. The future of the church is inextricably bound up in our colleges and seminary. To lose them is to lose almost everything. To permit them to remain poorly furnished either with students or funds is short sighted. To neglect them is to lose them, sooner or later.

Westminster Theological Seminary

After thirty-five years of service, Rev. H. L. Elderdice, D. D., LL.D., resigned as president of the seminary and was elected President-Emeritus and professor of Practical Theology. When Dr. Elderdice became president in 1897, the seminary was on a fairly stable foundation, although the enrollment was small and only forty-two had graduated since its founding in 1882.

The years of his administration were made notable because of progress in every department. All the present buildings were erected during this period. Over three hundred students were graduated, the library was improved, much equipment was added, the campus beautified and the standing of the institution brought to a level with the best in the country.

In May, 1932, Rev. F. G. Holloway, D. D., was chosen president, holding that position until December 1, 1935. These few years were marked by further progress and a widening of the influence of the sem-

Statistical Record

	1932-33	1933-34	1934-35	1935-36
Enrollment (Total)	243	214	281	304
Men	116	102	139	149
Women	127	112	142	155
M. P.'s	51	46	62	88
M. P. Ministerial	10	8	11	18
Graduates (Total)	29	20	28	34
Men	15	12	14	22
Women	14	8	14	12
Administrative				
No. Employed	3	3	2	7
Average Salary	\$1,920.00	\$1,000.00	\$ 800.00	\$1,070.00
Faculty				
No. Employed (full time)	15	14	9	15
Average Salary	\$1,530.00	\$1,000.00	\$ 865.00	\$1,043.00
Endowment	\$165,459.94	\$165,299.29	\$150,411.74	\$146,736.00
Income (Total)	45,509.95	54,790.02	55,465.71	53,169.00
Endowment	4,236.71	3,107.45	3,028.59	3,100.00
Students	38,863.28	41,617.16	48,326.59	45,309.00
Appropriations (Bd. of Ch. Ed.)	2,319.96	4,823.55	4,110.53	4,760.00
Proposed Budget	53,975.00	47,173.00	39,570.00	37,000.00
Indebtedness (Total) . .	48,080.45	38,846.23	19,903.47	7,846.06
Current Operations . .	22,980.45	15,761.31	13,163.75	4,246.06
Bank Loans	19,500.00	17,484.92	6,739.72	3,600.00
Bonds Outstanding . .	5,600.00	5,600.00	.....	.....
Valuation (Total)	342,069.04	342,069.04	341,686.04	341,863.00
Campus	10,000.00	10,000.00	10,000.00	10,000.00
Buildings	257,000.00	257,000.00	257,000.00	257,000.00
Equipment	75,069.04	75,069.04	74,686.04	74,863.00

Adrian College Endowment

	Investments		
	Cost	Cash Yield	Market Value
Bonds	5,804.18	305.50	5,737.50
Stocks	4,156.20	32.00	2,742.75
Mortgages	498.50	28.41	498.50
Real Estate	6,000.00	275.00	6,000.00
	<hr/>	<hr/>	<hr/>
	16,458.88	640.91	14,978.75
Cash on hand	205.38		205.38
	<hr/>		<hr/>
	\$16,664.26		\$15,184.13

Contingent Liabilities

Mortgage—United Brethren Church Erection Society	\$ 2,275.00
Annual Interest	113.75
	<hr/>
	\$ 2,388.75

Seminary Endowment Fund

H. L. Elderdice Chair

Investments

	Cost	Cash Yield	Market Value
Bonds	424.75	15.00	335.75
Stocks	1,021.59	69.00	1,360.50
	<u>\$ 1,446.34</u>	<u>\$ 84.00</u>	<u>\$ 1,696.25</u>
Overdraft	39.07		39.07
	<u>\$ 1,407.27</u>		<u>\$ 1,657.18</u>

C. E. Forlines Chair

Investments

	Cost	Cash Yield	Market Value
Bonds	424.75	15.00	335.75
Stocks	948.32	63.00	1,260.50
	<u>\$ 1,373.07</u>	<u>\$ 78.00</u>	<u>\$ 1,596.25</u>
Cash on hand	46.19		46.19
	<u>\$ 1,419.26</u>		<u>\$ 1,642.44</u>

C. H. Hubbell Chair

Investments

	Cost	Cash Yield	Market Value
Bonds	574.55	25.00	429.00
Stocks	618.02	42.00	958.00
	<u>\$ 1,192.57</u>	<u>\$ 67.00</u>	<u>\$ 1,387.00</u>
Cash on hand	275.69		275.69
	<u>\$ 1,468.26</u>		<u>\$ 1,682.69</u>
All Chairs	<u>\$ 4,294.79</u>	<u>\$ 229.00</u>	<u>\$ 4,982.31</u>

Adrian

With a small endowment, located in one of our smallest conferences, on the edge of her constituency, and enrolling annually a student body of less than 300, Adrian has had very burdensome handicaps to overcome. The campaign for endowment ten years ago materially improved the situation but the depression largely nullified the results. From 1929 to 1934 conditions grew steadily worse, giving deep concern to every friend of the college. But Adrian, like most similar enterprises, refuses to die. Incredible sacrifices on the part of the administration and faculty carried things through the nadir of difficulty and since 1934 there has been slow but steady improvement. This year the enrollment reaches the highest point in her history, the income from endowment is larger, payments on accounts by students are greater, gifts from friends are increasing, and the outlook is generally much more hopeful and encouraging.

Last fall, on recommendation of President Feeman, the trustees employed Mr. Albert Rush as field representative, an evidence of a revived confidence and a greater determination to undertake a forward looking program.

Since Adrian's problems are largely financial the church should put forth a greater effort to supplement the present income by larger appropriations. The denomination owes much to this historic institution and should accept a larger responsibility until such time when a special effort to increase the endowment is possible. She must have a \$20,000 stabilized income in addition to student payments. Appropriations, income on endowment, and gifts hardly approximate one half this amount.

Statistical Record

	1932-33	1933-34	1934-35	1935-36
Enrollment (Total)	377	365	453	546
Regular Sessions	286	274	298	311
Extension Classes	30	35	87	160
Summer School	61	56	68	75
M. P.'s	96	94	119	115
M. P. Ministerial	8	11	12	8
Graduates (Total)	41	30	38	44
Men	25	12	24	21
Women	16	18	14	23
Administrative				
No. Employed	8	9	9	7
Average Salary	1,097.50	1,758.00	996.66	1,150.00
Faculty				
No. Employed	20	17	23	23
Average Salary	1,670.00	1,543.00	1,304.13	1,282.00
Endowment (Total)		44,500.00	50,000.00	50,000.00
Productive		42,000.00	50,000.00	50,000.00
Non-Productive		2,500.00		
Income (Total)		49,001.51	80,158.18	88,918.23
Endowment		2,400.00	2,500.00	2,250.00
Students	65,000.00	42,000.00	73,489.00	81,200.00
Appropriations (Bd. of Chr. Ed.)	1,091.67	4,601.51	4,169.18	5,468.23
Proposed Budget			72,075.00	75,000.00
Indebtedness (Total)	258,500.00	329,941.00	310,887.75	274,500.00
Current Operations	28,500.00	46,941.00	33,887.75	
Bldgs. and Improv.	230,000.00	225,000.00	275,000.00	218,500.00
Bonds Outstanding	62,000.00	58,000.00	56,000.00	56,000.00
Valuation (Total)	649,305.66	685,000.00	665,376.22	662,500.00
Campus	156,000.0	156,000.00	150,000.00	150,000.00
Buildings	440,776.22	495,000.00	452,776.22	472,500.00
Equipment	52,529.44	34,000.00	52,600.00	40,000.00

High Point

The interest of the church in High Point College is unabated. All have felt a special concern for her welfare, knowing something of the heavy obligations to be faced, the deteriorating influences growing out of the depression, and the impoverished condition of the student body. President Humphreys has sought diligently and persistently to find some way to refinance the obligations, but planning and effort have brought forth little fruit. In recent months, however, a change has taken place and he has been able to work out some problems to the benefit of the college.

Two years ago Dr. Humphreys reported a balanced budget and last year accomplished the same marvelous achievement, something few institutions in the country have ever been able to realize. The enrollment continues to increase, this year reaching the highest mark ever, another evidence which confirms the wisdom and good judgment of the founders when locating the college at High Point.

During the year a generous gift was made for a library building. Four years ago, through the faith and persistent effort of Mr. N. M. Harrison, a new gymnasium was erected which should serve the interests of the college for many years. Extensive improvements have been made on all the buildings and on the campus. If the present plans can be carried out, High Point should have one of the finest athletic fields in the state.

Various friends have indicated their purpose to make contributions of such a substantial character that still greater improvements are assured. If the church will continue its present more generous policy, the final results in service to youth will amply repay the effort made. The outlook for High Point College is most promising.

High Point College Endowment

General Fund

Investments

	Cost	Cash Yield	Market Value
Bonds	1,619.50	75.00	1,301.50
Stocks	76.50	6.00	100.00
Loans	375.00	22.50	375.00
	<hr/>	<hr/>	<hr/>
Cash on hand	\$ 2,071.00	\$103.50	\$ 1,776.50
	250.00		250.00
	<hr/>		<hr/>
	\$ 2,321.00		\$ 2,026.50

Contingent Liabilities

Annuity Interest	\$ 138.70
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Ida M. Alexander Scholarship Fund

Investments

	Cost	Cash Yield	Market Value
Bonds	1,502.50	90.00	1,340.00
Stocks	40.00	2.00	34.00
Loans	250.00	15.00	250.00
	<hr/>	<hr/>	<hr/>
Cash on hand	\$ 1,792.50	\$107.00	\$ 1,624.00
	7.50		7.50
	<hr/>		<hr/>
	\$ 1,800.00		\$ 1,631.50
Both Funds	\$ 4,121.00	\$210.50	\$ 3,658.00

Westminster College

This is the only junior college in the denomination. It is located in Tehuacana, Texas, far from the church's center of population. Nonetheless it ministers to a needy field and for 34 years on its present site has had an honorable and useful career.

Originally established very largely for the purpose of preparing young people for special forms of Christian work, the curriculum was later broadened and the college assumed senior ranking. A number of years after, when the standardizing agencies began to operate, it was found necessary to reduce the college to the junior rank, providing the first two years only of college work. It has first class standing now as a junior college.

On account of the demands of the state to include more courses for those preparing to teach, and for teachers, with higher qualifications, the department for theological and religious instruction was reduced to a mere shadow of its former proportions. Five or six years ago, during the administration of F. W. Stephenson, the state gave full recognition to the Department of Religious Education, thus partially restoring the purpose dominating the school when it was established.

Two years ago still further progress was made when additional courses in theology, homiletics and church history were added and T. L. Crenshaw of Mississippi was employed as teacher. This summer Mr. Crenshaw will secure his Master of Arts degree from Southern Methodist University and in the fall become head of the Department of Religion of Westminster College.

In 1934 Rev. Clarence A. Sutton became president and he is meeting with notable success. A careful study of the figures in the appended table will give some idea of what is being accomplished.

Two new buildings have been erected during the quadrennium, a spacious gymnasium, and a duplex cottage for members of the faculty, the latter being the gift of Dr. J. D. Davidson in memory of his mother.

Westminster College Endowment

General Fund

Investments

	Cost	Cash Yield	Market Value
Bonds	\$ 7,379.42	\$389.95	\$ 7,449.75
Stocks	1,234.69	66.00	1,276.00
Mortgages	1,000.00	55.00	1,000.00
Notes	1,306.00	88.36	1,306.00
	<hr/>	<hr/>	<hr/>
	\$10,920.11	\$599.31	\$11,031.75
Overdraft .....	.15		.15
	<hr/>		<hr/>
	\$10,919.96		\$11,031.60

Contingent Liabilities

Interest on		
Annuities		\$ 54.00
Notes		62.50
Loans		845.00
		<hr/>
		\$961.50

J. B. Thomas Fund

Investments

	Cost	Cash Yield	Market Value
Bonds	\$ 52.26		\$ 28.25
Stocks	241.02	15.00	313.50
	<hr/>	<hr/>	<hr/>
	\$ 293.28	\$ 15.00	\$ 341.75
Cash on hand	220.58		220.58
	<hr/>		<hr/>
	\$ 513.86		\$ 562.33

Western Maryland

In the midst of a busy life and while diligently occupied with great plans for further improvements at the college, President Albert Norman Ward suddenly answered the final summons. For over 15 years he had given himself indefatigably to the building of a greater Western Maryland and he succeeded beyond his expectations but not beyond his hopes. In our effort to visualize and appreciate his achievements, our imagination fails. New buildings were erected, the endowment trebled, the enrollment more than doubled, and the standing and reputation of the college in the educational world greatly advanced.

Rev. F. G. Holloway, D. D., for three and a half years president of Westminster Theological Seminary, was chosen to succeed Dr. Ward and assumed his new duties December, 1, 1935. He was officially inaugurated April 25, 1936. He brings to his new task every qualification needed for such a great responsibility.

During the quadrennium a new heating plant was erected and named in honor of Harvey A. Stone, who served for forty-eight years as superintendent of buildings and grounds. Blanche Ward Hall, a dormitory for girls, was also erected and named in honor of Blanche Murchison Ward, the wife of President A. N. Ward. In addition the campus was landscaped, making it one of the most beautiful in the country.

Western Maryland maintains its place as the largest of the schools of the church and bids fair to continue its growth and usefulness.

Statistical Record

	1932-33	1933-34	1934-35	1935-36
Enrollment (Total)	763	810	895	857
Men	295	321	328	331
Women	468	489	567	526
M. P.'s	98	94	93	79
M. P. Ministerial	16	14	10	7
Graduates (Total)	87	99	137	110
Men	34	46	61	45
Women	53	53	76	65
Administrative				
No. Employed	4	4	16	17
Average Salary	\$3,004.00	\$3,004.00	\$1,875.00	\$1,761.00
Faculty				
No. Employed	42	42	46	47
Average Salary	\$1,791.03	\$1,791.03	\$1,835.00	\$1,676.00
Endowment (Total)	\$869,747.02	\$895,514.07	\$883,700.00	\$895,141.00
Productive	869,747.02	769,764.07	773,700.00	754,736.00
Non-Productive		125,750.00	110,000.00	140,405.00
Income (Total)	184,650.00	190,632.77	243,550.00	269,174.00
Endowment	34,000.00	34,500.00	30,050.00	22,500.00
Students	155,000.00	156,000.00	213,000.00	246,674.00
Appropriations (Bd. of Ch. Ed.)	650.00	132.77	500.00	
Proposed Budget			348,800.00	219,553.00
Indebtedness (Total)	102,532.90	86,049.93	50,000.00	278,501.00
Current Operations	23,032.90	16,549.93		
Bldgs. and Improv.	79,500.00	69,500.00	50,000.00	278,501.00
Valuation (Total)	\$1,228,395.33	\$1,221,056.62	\$1,279,858.00	\$1,531,306.00
Campus	75,116.27	83,254.37	121,422.00	127,810.00
Buildings	1,027,616.05	1,013,266.05	1,021,812.00	1,240,960.00
Equipment	125,663.01	124,536.20	136,624.00	162,536.00

1935—College and Seminary Enrollments—1936

	Adrian	High Point	Western Md.	West. Col.		Seminary	
Freshmen	63	114	169	54	Juniors		9
Sophomores	50	63	142	26	Middlers		9
Juniors	37	47	110	..	Seniors		11
Seniors	33	44	92	..			
							29
Totals	183	268	513	80	Graduates		5
Summer School ..	78	75	126	49	Specials		7
Extension	43	160	260	..	Summer School ..		53
Uncl'ssified & Sp.	39	67	13	62	Extension		21
							115
Less Duplicates ..	39	24	55	4	Less Duplicates ..		5
							110
	304	546	857	187			

Total enrollment for all schools—2,004.

Enrollment and Graduates

A study of these figures helps us to understand the progress being made and something of the service being rendered by our colleges and seminary. It is to be noted that the total enrollment has nearly doubled since 1925. The number of graduates has correspondingly increased.

	Adrian		High Point		Western Md.		Westminster		Seminary		Total	
	Enrollment	Graduates	Enrollment	Graduates	Enrollment	Graduates	Enrollment	Graduates	Enrollment	Graduates	Enrollment	Graduates
1925	217	19	132	..	471	81	203	21	55	11	1078	132
1926	239	18	208	..	502	88	155	15	46	14	1150	135
1927	274	26	231	..	506	76	108	14	43	10	1162	126
1928	285	27	344	45	522	70	180	21	41	11	1372	174
1929	292	25	372	44	529	86	179	32	38	13	1410	200
1930	276	29	362	56	525	99	185	18	48	11	1396	213
1931	259	30	381	43	569	69	178	18	52	12	1439	172
1932	245	32	363	41	601	70	147	28	64	14	1420	185
1933	243	29	377	41	763	87	132	37	70	12	1585	206
1934	214	20	365	30	810	99	133	21	64	11	1586	181
1935	281	28	453	38	895	137	145	22	63	17	1837	242
1936	304	34	546	44	857	110	187	23	110	11	2004	222

Library Fund

Investments		Cost	Cash Yield	Market Value
Stocks	\$	100.00	\$ 6.00	\$ 100.00
Cash on hand		146.18		146.18
		<u>\$ 246.18</u>		<u>\$ 251.18</u>

All Funds

	Cost	Cash Yield	Market Value
General Fund	\$10,919.96	\$599.31	\$11,031.60
Library Fund	246.18	6.00	251.18
Thomas Fund	513.86	15.00	562.33
Total	<u>\$11,680.00</u>	<u>\$620.31</u>	<u>\$11,845.11</u>

Statistical Record

	1932-33	1933-34	1934-35	1935-36
Enrollment				
Regular Session	98	106	120	138
Summer Session	34	27	25	49
Total	<u>132</u>	<u>133</u>	<u>145</u>	<u>187</u>
M. P.'s	36	36	42	35
M. P. Ministerial	7	6	14	20
Graduates				
Men	20	8	7	10
Women	17	13	15	13
Total	<u>37</u>	<u>21</u>	<u>22</u>	<u>23</u>
Administrative				
No. Employed	1/2—Dean	1/2—Dean	2	4
Average Salary	78.75	740.00	741.00	537.50
Faculty				
No. Employed	8 1/2	6 1/2	11	9
Average Salary	1,039.30	1,080.80	856.00	587.50
Endowment (Total)	10,668.40	10,791.26	11,033.26	11,680.00
Productive	10,668.40	8,796.76	8,672.98	11,314.21
Non-Productive		1,994.50	2,360.28	365.79
Income (Total)	6,058.17	6,960.81	8,904.06	12,097.68
Endowment	250.00	426.53	447.02	590.02
Students	4,395.54	5,421.12	6,725.00	8,850.00
Appropriations (Bd. of Christ'n Education) ..	1,412.63	1,113.16	1,732.04	2,657.66
Proposed Budget			12,180.00	11,305.00
Indebtedness (Total)	29,012.15	25,107.17	22,500.00	21,896.02
Current Operations	29,012.15	10,607.17	13,000.00	11,928.02
Bldgs. and Improv.		14,500.00	9,500.00	9,968.00
Valuation (Total)	81,600.00	76,600.00	78,500.00	84,000.00
Campus	4,600.00	5,000.00	1,000.00	3,000.00
Buildings	65,000.00	62,000.00	67,500.00	71,000.00
Equipment	12,000.00	9,600.00	10,000.00	10,000.00

Consolidated College and Seminary Facts—1936

	Adrian	High Point	Western Md.	Westminster	Seminary	Total
Enrollment (Total)	304	546	857	187	110	2,004
Regular Session	226	471	731	138	57	1,623
Summer Session	78	75	126	49	53	381
M. P.'s	88	115	79	35	85	402
M. P. Ministerial	18	8	7	20	85	138
Graduates (Total)	34	44	110	23	11	222
Men	22	21	45	10	11	109
Women	12	23	65	13	..	113
Administrative						
No. Employed	7	7	17	4	..	35
Average Salary	1,070.00	1,150.00	1,761.00	537.50	.....	1,129.62
Faculty						
No. Employed	15	23	47	9	5	99
Average Salary	1,043.00	1,282.00	1,676.00	587.50	1,966.30	1,310.96
Endowment (Total)	146,736.00	50,000.00	895,141.00	11,680.00	88,559.86	1,192,116.85
Productive	81,018.00	50,000.00	754,736.00	11,314.21	50,836.42	947,904.63
Non-Productive	65,718.00	..	140,405.00	365.79	37,723.44	244,212.23
Income (Total)	53,169.00	88,918.23	269,174.00	12,097.68	10,130.80	433,489.71
Endowment	3,100.00	2,250.00	22,500.00	590.02	1,893.56	30,333.58
Students	43,309.00	81,200.00	246,674.00	8,850.00	4,007.50	384,040.50
Appropriations (Board of Christian Education ..	4,760.00	5,468.23	..	2,657.66	4,229.74	17,115.63
Proposed Budget	37,000.00	70,000.00	219,553.00	11,305.00	14,985.05	352,843.05
Indebtedness (Total)	7,846.06	..	278,501.00	21,896.02	1,200.00	309,443.08
Current Operations	4,246.00	330,500.00	..	11,928.02	1,200.00	347,874.08
Bldgs. and Improv.	3,600.00	274,500.00	278,501.00	9,968.00	.....	566,569.00
Bonds Outstanding .....	..	56,000.00	..	..	..	56,000.00
Valuation (Total)	341,863.00	662,500.00	1,531,306.00	84,000.00	157,723.00	2,777,392.00
Campus	10,000.00	150,000.00	127,810.00	3,000.00	5,000.00	295,810.00
Buildings	257,000.00	472,500.00	1,240,960.00	71,000.00	146,723.00	2,188,183.00
Equipment	74,863.00	40,000.00	162,536.00	10,000.00	6,000.00	293,399.00

Appropriations to Schools

Adrian College

	DIRECT	INDIRECT			Total
		Int. on Loans	Ministerial	To Students Non-Minist'r'l	
1932-1933.....	\$1,632.73	\$ 507.23	\$ 595.00	\$ 525.00	\$3,259.96
1933-1934.....	4,336.26	487.29	490.00	620.00	5,933.55
1934-1935.....	3,550.00	560.53	755.00	905.00	5,770.53
1935-1936.....	4,760.00	536.06	1,295.00	1,430.25	8,021.31
					<u>\$22,985.35</u>

High Point College

1932-1933.....	439.50	652.17	240.00	195.00	1,526.67
1933-1934.....	3,975.00	626.51	187.50	312.50	5,101.51
1934-1935.....	3,448.50	720.68	495.00	255.00	4,919.18
1935-1936.....	4,779.00	689.23	420.00	360.00	6,248.23
					<u>\$17,795.59</u>

Western Maryland College

1932-1933.....	650.00	.....	715.00	395.00	1,760.00
1933-1934.....	132.77	.....	685.00	250.00	1,067.77
1934-1935.....	500.00	.....	475.00	260.00	1,235.00
1935-1936.....	.....	.....	336.75	285.00	621.75
					<u>\$4,684.52</u>

Westminster College

1932-1933.....	374.00	1,038.63	470.00	.....	1,882.63
1933-1934.....	115.38	997.78	480.00	.....	1,593.16
1934-1935.....	584.28	1,147.76	1,012.50	150.00	2,894.54
1935-1936.....	1,560.00	1,097.66	1,557.50	377.50	4,592.66
					<u>\$10,962.99</u>

Seminary

1932-1933.....	3,000.00	217.40	2,830.00	.....	6,047.40
1933-1934.....	4,000.00	208.84	2,675.00	.....	6,883.84
1934-1935.....	4,000.00	240.23	3,070.00	.....	7,310.23
1935-1936.....	4,000.00	229.74	2,691.00	.....	6,920.74
					<u>\$27,162.21</u>

Total

1932-1933.....	\$14,476.68
1933-1934.....	20,579.83
1934-1935.....	22,129.48
1935-1936.....	25,261.21
1935-1936.....	26,404.69

Auditor—H. Ivan Sloan

During the last twelve years Mr. H. Ivan Sloan, C. P. A. (Pa.) has audited the books annually and certified thereto as follows:

"I have made an audit of the accounts of your Secretary, Rev. Frank W. Stephenson, of the cash receipts and cash disbursements, and also the securities and investments. During the course of the audit I traced the sale of securities and the purchase of investments and revenue from same, and other transactions to your bank account, and in my opinion, all moneys and securities have been properly accounted for by your Secretary.

Respectfully submitted,

(Signed) H. Ivan Sloan, C. P. A. (Pa.)

HONOR ROLL

(Accounts paid in full)

	Borrowed	Returned	Rebate
Bangerter, L. A.....	\$ 350.00	\$ 200.00	\$ 150.00
Braxton, J. W.	250.00	125.00	125.00
Brown, S. G.	650.00	325.00	325.00
Burch, Lula	680.00	680.00	.....
		47.79 Interest	
Burgess, J. E.	300.00	95.00	205.00
Chambliss, M. P. (deceased)....	500.00	245.00	255.00
Clayton, Ralph	150.00	75.00	75.00
Cottrell, W. E.	600.00	500.00	100.00
Cross, Walter	100.00	75.00	25.00
Dinkle, Ira M.....	970.00	335.00	635.00
Eddins, T. W.	350.00	130.00	220.00
Grant, C. L.	40.00	20.00	20.00
Hooker, George J.	280.00	250.00	30.00
Lambertson, J. P.	600.00	150.00	450.00
McAdow, H. M.	650.00	280.00	370.00
McGarity, W. J.	615.00	337.50	337.50
McNurlan, Dorothy	395.00	223.25	171.75
		7.00 Interest	
Mollan, Walter	805.00	400.00	405.00
Phillips, Claybourne	400.00	325.00	75.00
Raynor, D. G.	375.00	187.50	187.50
Roberts, W. A.	750.00	287.50	462.50
Simons, C. H.	200.00	100.00	100.00
Smith, C. M.	375.00	375.00	.....
Trader, J. A.	950.00	300.00	650.00
Von Hagel, James	150.00	75.00	75.00
Wareheim, K. H.	425.00	212.50	212.50
Wilson, J. N.	200.00	100.00	100.00
Woodworth, Dwight	50.00	25.00	25.00
	<u>\$12,160.00</u>	<u>\$6,433.25</u>	<u>\$5,786.75</u>
		54.79 Interest	

Facts and Figures

	1932-33	1933-34	1934-35	1935-36
New Beneficiaries	19	10	29	24
Total No. Beneficiaries.....	56	48	69	75
Amount Loaned	4,850.00	4,517.50	5,807.50	6,300.25
No. helped to date.....	722	732	761	785
Amount Loaned to date....	216,773.50	221,291.00	227,098.50	233,398.75
No. return payments.....	24	37	44	46
Amount return payments...	1,185.50	1,253.95	2,002.92	2,147.46
Amt. return paym'ts to date	29,306.33	30,560.28	32,563.20	34,710.66
(From 1904)				
No. paid in full.....	1	6	7	12
No. paid in full to date.....	163	169	176	188
(From 1916)				
Invested Fund	55,563.77	59,819.94	60,156.38	63,714.72
Annual Increase	214.73	4,256.23	336.44	3,558.34
Income				
Investments	2,483.95	2,582.15	2,767.44	3,117.42
Interest on Student Loans (delinq. accts.)	58.64	242.82	114.75	119.83
Total Int. on Student Loans (to date).....	271.44	514.26	629.01	738.84
Rebates to Students.....		1,696.50	2,084.60	2,356.75
Annuity Interest Paid.....	33.00	33.00	33.00	33.00
Gifts				
For Permanent Fund...	100.00			
For Income Account...	404.00	885.00	280.28	41.00

Ministerial Education

The movement in the church toward the goal of a better trained ministry has lost none of its momentum. The local churches are increasingly insistent that their pastors come to them equipped for their task. In the annual conferences the sentiment for higher standards is gaining headway. In the colleges and seminary more careful attention is being given to those coming to them as candidates for the ministry. This is as it should be, but it must be acknowledged there is still room for improvement. We should hold firmly to the ideal of a thoroughly trained man for every pulpit.

The depression proved no respecter of persons, and certainly not of the candidates for the ministry. Always, in most instances short of funds, that has been the case to an acute degree in recent years. The Board has been sorely put to it to find the money actually needed to provide for those well worthy of assistance. Many have had to be denied. In spite of this, however, we have accepted greater responsibilities than ever, as the appended table will reveal.

The amount of our invested fund continues to increase but it is still many thousands of dollars below actual needs. Gifts have been difficult to secure as general business conditions are still unsettled and people are afraid to venture. However, the income on our investments and return payments on loans have improved each year. It is noteworthy also that more beneficiaries each year have found it possible to make payments or to complete the payment of their loans.

An additional feature of this part of our work was the establishment of the "Jack Hawley Memorial Ministerial Scholarship Fund" in memory of John W. Hawley, Jr., the son of the pastor of Pittsburgh's First Church. "Jack" had dedicated himself, in response to God's call, to the Christian ministry and in many ways typified the spirit and purpose of all entering the ministry. Some progress has been made toward creating a fund that should be of real value in our work. The purpose is to secure an income to be used as gratuities to needy students, thus avoiding burdening them with obligations too great.

Ministerial Education Fund

Investments			
	Cost	Cash Yield	Market Value
Bonds	\$32,185.95	\$1,695.00	\$29,537.50
Stocks	18,814.21	534.50	15,721.25
Mortgages	10,185.00	402.00	10,185.00
Loans	1,600.00	96.00	1,600.00
Notes	200.00	12.00	200.00
	<hr/>	<hr/>	<hr/>
Cash on hand	\$62,985.16	\$2,739.50	\$57,243.75
	56.01		56.01
	<hr/>		<hr/>
	\$63,041.17		\$57,299.76

Jack Hawley Fund

Investments			
	Cost	Cash Yield	Market Value
Bonds	\$ 740.00	\$ 45.00	\$ 670.00
Overdraft	66.45		66.45
	<hr/>		<hr/>
Both Funds	\$ 673.55		\$ 603.55
	63,714.72	2,784.50	57,903.31
<hr/>			
Contingent Liabilities			
Annual Income (Investments)			\$ 2,784.50
Annuities			33.00
			<hr/>
Net Income			\$ 2,751.50

HONOR ROLL

(Accounts paid in full)

Name	Borrowed	Returned	
		Principal	Interest
Albright, Virginia	\$ 300.00	\$ 300.00	\$ 25.00
Allen, Evangeline (Mrs. Welborn)	75.00	75.00	4.25
Barnette, Bessie	75.00	75.00	.60
Barnette, Grace	550.00	550.00	27.00
Baughman, Dale J.	225.00	225.00	63.50
Bishop, Birdenia	600.00	600.00	136.95
Brittingham, Bettie	200.00	200.00	25.66
Bryan, Katherine	150.00	150.00	7.35
Burch, Lula	150.00	150.00	5.00
Choat, Prudence	50.00	50.00	2.00
Eaton, Amos W.	150.00	150.00	7.50
Eaton, Thomas H.	600.00	600.00	43.90
Franks, I. C. B.	150.00	150.00	3.33
Funk, H. W.	100.00	100.00	3.50
Harp, John A.	280.00	280.00	22.00
Harrer, W. J.	75.00	75.00	11.00
Harris, Ralph E.	350.00	350.00	9.50
Harstine, Blanche	550.00	550.00	79.85
Hawver, Marguerite	600.00	600.00	39.83
Helmbold, Robert	525.00	525.00	12.66
Johnson, T. M.	75.00	75.00	6.50
Kuhn, Rea G.	125.00	125.00	19.00
Lindley, T. S.	195.00	195.00	13.28
May, Lucille	150.00	150.00	8.00
Merrifield, Bernice	50.00	50.00	6.75
McMillan, Addie	100.00	100.00	7.00
McNurlan, Dorothy	272.00	272.00	.....
Powell, Eila	150.00	150.00	5.00
Raum, Mildred	300.00	300.00	12.50
Roach, Grace	75.00	75.00	15.00
Rush, Albert	375.00	375.00	18.75
Sanders, Esther B.	150.00	150.00	5.00
Snow, George M.	150.00	150.00	9.75
Stephens, Lois	150.00	150.00	2.50
Stone, Helen	450.00	450.00	34.48
Stover, Margaret	150.00	150.00	10.10
Talbott, Cleo	300.00	300.00	8.00
Tamblyn, Samuel	150.00	150.00	9.00
Tamblyn, Esther	225.00	225.00	5.70
Wert, Helen	390.00	390.00	24.09
Whitney, Margaret E.	300.00	300.00	7.00
Whitney, Mary	150.00	150.00	23.60
Willits, Wilson	300.00	300.00	83.50
Woodford, Beulah	55.00	55.00	2.75
Yow, Virgil	225.00	225.00	51.00
	<u>\$10,767.00</u>	<u>\$10,767.00</u>	<u>\$ 918.63</u>

Colored School Fund

	Investments		
	Cost	Cash Yield	Market Value
Stocks	\$ 638.71	\$ 36.00	\$ 710.50
Notes	300.00	18.00	300.00
Real Estate	5,000.00		5,000.00
	<u>\$ 5,938.71</u>	<u>\$ 54.00</u>	<u>\$ 6,010.50</u>
Cash on hand	21.51		21.51
	<u>\$ 5,960.22</u>		<u>\$ 6,032.01</u>

Student Loan Fund

Established in 1919 by Rev. George H. Miller, D. D., then Executive Secretary of the Board of Education, this part of the work of the Board has made an increasing appeal to our people. During the intervening 17 years 145 carefully chosen Methodist Protestant young people have received financial help while attending one of our denominational colleges. Of this number 46 have paid their accounts in full. Occasionally we are disappointed in the student we tried to help, 20 having so far been placed in the delinquent class, or 14 per cent.

The great majority appreciate this help and manifest an attitude and sense of responsibility which promises well for their future. They have merited our confidence.

The first year of the quadrennium return payments dropped to the lowest figure for many years, but since then they have steadily improved, the last year bringing in the best returns in the history of the Fund.

During the quadrennium the Auxiliaries of the church discontinued their Student Loan Fund service and turned over the responsibility to our Board. This may account in some measure for the larger demands. It does account for the contributions coming from the Auxiliaries for our work.

Two years ago the Board adopted a recommendation authorizing the Secretary to create a special fund as an expression of the appreciation of the church for Dr. Miller's service to the denomination and especially in establishing the Student Loan Fund. We set \$5,000 as our goal and this figure was recently reached. It should continue to grow.

The interest charged on these loans is accomplishing the purpose intended. They not only prompted speedier settlement of accounts but came close to covering the losses from delinquents.

Investments			
	Cost	Cash Yield	Market Value
Bonds	\$ 3,101.36	\$175.00	\$ 3,393.75
Stocks	2,284.98	97.00	2,748.00
Mortgages	5,000.00	300.00	5,000.00
Loans	3,225.00	193.50	3,225.00
Student Notes	6,977.75	336.49	6,977.75
	<hr/>	<hr/>	<hr/>
Overdraft	\$20,589.09	\$1,101.99	\$21,344.50
	11.07		11.07
	<hr/>		<hr/>
	\$20,578.02		\$21,333.43
Annual Income			
Investments			\$1,101.99
Contingent Liabilities			
Annuities			1,037.50
			<hr/>
Net Income			\$ 64.49

George H. Miller Fund

Investments			
	Cost	Cash Yield	Market Value
Bonds	\$ 1,707.79	\$ 87.50	\$ 1,917.50
Stocks	3,059.47	230.00	3,907.00
Loans	200.00	12.00	200.00
	<hr/>	<hr/>	<hr/>
Cash on hand	\$4,967.25	\$329.50	\$6,024.50
	33.09		33.09
	<hr/>		<hr/>
	\$5,000.34		\$6,057.59
Annual Income			
Investments			\$ 329.50
Contingent Liabilities			
Annuities			245.00
			<hr/>
Net Income			\$ 84.50

Student Loan Service

The following table records the students the Board has helped in each school during the quadrennium and the amounts loaned. Much more should be done and could be done if our resources were greater.

Loans to Students

	1933	1934	1935	1936
Adrian College				
Ministerial Education Fund				
No. Helped	9	5	9	15
Amount Loaned	\$ 595.00	\$ 490.00	\$ 755.00	\$1,295.00
Student Loan Fund				
No. Helped	10	12	17	19
Amount Loaned	525.00	620.00	905.00	1,430.25
High Point College				
Ministerial Education Fund				
No. Helped	4	3	6	6
Amount Loaned	240.00	187.50	495.00	420.00
Student Loan Fund				
No. Helped	5	7	5	5
Amount Loaned	195.00	312.50	255.00	360.00
Western Maryland College				
Ministerial Education Fund				
No. Helped	10	8	7	7
Amount Loaned	715.00	685.00	475.00	336.75
Student Loan Fund				
No. Helped	6	5	4	5
Amount Loaned	395.00	250.00	260.00	285.00
Westminster College				
Ministerial Education Fund				
No. Helped	8	6	14	19
Amount Loaned	470.00	480.00	1,012.50	1,557.50
Student Loan Fund				
No. Helped .....	..	..	3	6
Amount Loaned .....	..	..	150.00	377.50
Seminary				
Ministerial Education Fund				
No. Helped	25	26	33	28
Amount Loaned	2,830.00	2,675.00	3,070.00	2,691.00
Total				
Ministerial Education Fund				
No. Helped	56	48	69	75
Amount Loaned	4,850.00	4,517.50	5,807.50	6,300.25
Student Loan Fund				
No. Helped	21	24	29	35
Amount Loaned	1,115.00	1,182.50	1,570.00	2,452.75
Both Funds				
No. Helped	77	72	98	110
Amount Loaned	5,965.00	5,700.00	7,377.50	8,753.00

Facts and Figures

	1932-33	1933-34	1934-35	1935-36
New Beneficiaries	5	8	13	13
Total Beneficiaries	21	24	29	35
Amount Loaned	1,115.00	1,182.50	1,570.00	2,452.50
Helped to date.....	111	119	132	147
Amount Loaned to date....	27,297.90	28,480.40	30,050.40	32,502.90
No. return payments.....	14	28	29	35
Amount return payments...	654.85	1,110.09	1,640.52	2,124.03
Amt. return paym'ts to date	10,123.16	11,233.25	12,873.77	14,977.80
No. paid in full.....	2	3	4	9
No. paid in full to date.....	29	32	36	45
Invested Fund	19,600.81	20,112.14	23,940.41	25,578.36
Annual Increase	209.25	511.33	3,828.27	1,637.95
Income				
Investments	682.00	743.60	811.03	1,067.18
Int. on Student Loans...	126.48	421.73	254.71	336.99
Int. on Student Loans to date	1,476.06	1,897.79	2,152.50	2,489.49
Gifts				
For Permanent Fund...	10.00	25.00	.....	153.25
For Income Account...	163 01	20.60	290.92	143.25
Annuities Received	200.00	300.00	200.00	1,100.00
Annuity Interest Paid.....	1,120.60	1,131.25	1,051.50	1,320.50

Special Projects

We have undertaken to address occasionally letters to the ministerial students in our colleges and seminary. Each letter is centered upon some special idea, something experience has induced us to feel needs special emphasis. We have discussed such things as loyalty, the meaning of the ministry, honoring one's obligations, and looking upon the work of the ministry as an exalted form of Christian service.

Each month, during the last year, we sent an "Activities" report to the members of the Board, itemizing the duties of the office and the tasks engaging our attention. In addition a financial statement was provided. These were intended to give some idea of what is going on and the matters requiring our time and attention.

The effort to keep alive the service of Dr. George H. Miller to his church by establishing a Fund in his name has met with gratifying success. In a similar way we have created the "Jack Hawley Memorial Ministerial Scholarship Fund," the income to be used to provide special help to those in unusual need.

In addition to "Educational Flashlights," a feature of our promotional work, we have sent occasional communications to our pastors and to the leaders in our Women's Auxiliaries.

Liabilities**Direct**

Kansas Annual Conference (Adrian Scholarship)	\$ 500.00	
United Brethren Church Erection Society —Mortgage	2,275.00	2,775.00

Contingent

Annuity	600.00	
Interest	113.75	
		<u>713.75</u>

Total..... \$ 3,488.75

Annual Statement**Income**

Investments	\$ 1,300.50
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Charges

Annuities	\$ 600.00	
Taxes	210.10	
Mortgage Interest	113.75	
		<u>923.85</u>

Net Income..... \$ 334.88

General Receipts of the Department

If the Department of Educational Institutions depended entirely upon the World Service receipts to carry on its work it would be handicapped indeed and our whole educational program placed in even greater jeopardy. An agency with power is necessary to keep the cause of Christian education before the church, and to develop an interest and an appreciation of this basic force in the building of the Kingdom. It is necessary to do all possible to supplement the income of our colleges and seminary or they face devastating deficits. Experience has proven that there are a multitude of worthy young people whose financial situation makes a larger preparation for life impossible unless help comes from some source.

It is this last service, to our young people, where the Board is accomplishing real miracles. Thousands of dollars every year go into student loans making college and seminary possible to scores who could otherwise never step inside their doors. But very little of this money is a tax upon the World Service receipts. It comes from return payments on loans, from gifts, and from the income on invested funds.

The actual receipts of the Board therefore include not only the World Service contributions but all these other resources which do not pass through the hands of the denominational treasurer. The trend here is upward, and under normal conditions we should anticipate further improvement from year to year. The following records give a picture of what is taking place.

Distributive Fund

The purpose of the following table is to provide a detailed statement of the World Service receipts and disbursements which represent about two-thirds of the resources of the Department. The increase the last year of the quadrennium, in the amount distributed from World Service contributions, was the first experienced since 1930.

The cost of maintaining the office of the Executive Secretary remains about the same from year to year so any increase in receipts works to the benefit of our schools and student service.

General Education Fund

This Fund is intended to be an endowment for the Board, with the hope of finally freeing the returns from the World Service contributions from any charges for the maintenance of the Board or the expenses incident to its operation. Because of prior charges it has so far benefitted little. Its potential possibilities, however, are very promising and in due time the fund should be of great service to the Church.

During the last year several defaulted securities were transferred to the General Education Fund from the college and seminary endowments. This reduced the income to some extent but in due time will be fully and adequately corrected.

The property problems have not been entirely solved. During the quadrennium the amount of the equity in Mt. Hope Cemetery has been reduced from \$7,816.00 to \$6,235.77. Most of this money, as it is received, is placed in the Permanent Fund. The mortgage on a farm in Nebraska was surrendered and the property deeded to us. In the settlement of an estate we came into one-half ownership of substantial properties in Dayton, Ohio, which are yielding a fair return, most of which is being used to liquidate a mortgage. Originally our share in this obligation was \$4,900.00 but it has been reduced to \$2,775.00. Much of our real estate in Kansas City, Kansas, is of little value, though it seems well worth holding. The interest of the Board in a certain trust fund, amounting to some \$30,000, will not be paid until the demise of the beneficiary.

There are a number of other business problems connected with this Fund which should be attended to shortly. It was thought advisable to return to the United Brethren the second mortgage and lien on Kansas City University since that institution had closed and their interests withdrawn. We also erased from our list of holdings these equities. That makes the total of our investments considerably less than in 1932. Without considering these we show an increase. At that time our productive investments totaled \$24,050.89, now they are \$29,413.77

Attention is being given constantly to ways and means to build up this Fund that the income may ultimately be such as to substantially strengthen the service of the Board.

Investments

Productive	Cost	Cash Yield	Market Value
Bonds	\$ 7,445.80	\$257.50	\$ 5,943.50
Stocks	428.11	20.00	469.00
Mortgages	4,500.00	250.00	4,500.00
Loans	600.00	36.00	600.00
Real Estate	12,235.77	737.00	12,235.77
	<hr/>		
Cash on hand.....	\$25,209.68	\$1,300.50	\$23,748.27
	192.84		192.84
	<hr/>		
Due Permanent Fund.....	\$25,402.52		\$23,941.11
	1,106.48		1,106.48
	<hr/>		
	\$26,509.00		\$25,047.59
 Non-Productive			
22 2-5 Lots	\$ 4,500.00		
Athletic Field	7,000.00		
Riverside Cemetery	1.00		
Quindaro Park	1.00		
640 Acres—Nebraska	5,300.00		
	<hr/>		
	\$16,802.00		

GENERAL CONFERENCE, METHODIST PROTESTANT CHURCH 241

Fund	1933-1934	1934-1935	1935-1936
	\$ 1,153.45	\$ 2,485.09	\$ 3,154.22
\$ 23,010.34	\$ 22,838.15	\$ 25,715.24	
468.37	176.31	51.65	
769.11	368.22	387.72	
		25.00 (Rally Day Refund)	
	24,247.82	23,382.68	26,179.61
\$ 25,401.27	\$ 25,867.77	\$ 29,333.83	
.....	6.05	11.85	
7.72	43.26	37.98	
56.46	44.04	86.72	
91.43	72.55	104.04	
53.14	11.11	11.82	
96.40	94.65	192.32	
22.05	25.69	49.10	
35.40	45.00	20.48	
17.50	17.50	17.50	
7.66	5.85	5.85	
100.00	100.00	100.00	
72.43	152.25	137.70	
4.65	4.02	.....
.....	
2.00	2.06	26.97	
3,240.00	3,240.00	3,240.00	
795.00	960.00	960.00	
10.00	7.50	17.00	
550.00	750.00	850.00	
17.85	.....	19.20	
220.00	220.00	240.00	
305.77	288.42	165.35	
22.13	135.00	.....
\$ 5,727.59	\$ 6,224.95	\$ 6,293.88	
12,559.41	12,254.78	15,161.50	
25.00	25.00	25.00	
75.00	578.00	212.50	
999.38	900.62	.....
2,829.99	2,669.20	2,614.52	
438.59	61.00	5.80	
.....	.....	300.00	
.....	
261.22	.....	25.00	
.....	
22,916.18	22,713.55	24,638.20	
\$ 2,485.09	\$ 3,154.22	\$ 4,695.63	

Distributive

1932-1933

Balance		\$ (368.67)	
	Receipts		
Budget Distribution	\$ 2,769.50		
Designations			
Conferences	635.21		
Auxiliaries	1,502.99		
Special Days			
Rally Day	7,676.35		
November Thank-offering	3,452.30		
Young People's Day	2,809.07	18,845.42	
			\$ 18,476.75

Disbursements

Office Maintenance			
Miscellaneous			
Light			
Stationery	34.00		
Supplies	83.55		
Telephone	145.39		
Printing	26.70		
Postage	212.61		
Magazines and Books	23.60		
Petty Cash	70.23		
Fidelity Bonds	31.25		
Insurance	5.64		
Audit	100.00		
Equipment			
Tax on checks	3.11		
Quadrennial Report	275.00		
Deposit Box	11.00		
Miscellaneous	30.50		
Salaries			
Secretary	3,270.00		
Assistant	1,107.00		
Extra Help	50.00		
Traveling Expense			
Secretary	800.00		
Others	109.64		
Rent	240.00		
Board Meeting Expense	393.81		
Moving Expense			
		\$ 7,021.03	
Appropriations			
Schools	6,096.23		
Council Church Boards	25.00		
Board of Missions			
Paid on Loans			
Principal	400.00		
Interest	2,858.53		
Transfers	585.58		
Revolving Fund			
Attorney Fees	50.00		
Taxes—Colored School Lots	66.16		
Special Day expense	211.50		
Refunds	9.27	17,323.30	
Balance			\$ 1,153.45

	Obligations			
	1932-33	1933-34	1934-35	1935-36
(1) Allegheny Trust Company.....	\$29,700.00	\$25,200.00	\$24,400.00	\$24,400.00
Personal Loans	2,100.00	2,100.00	1,600.00	1,350.00
Board Funds .....	.....	3,500.62	3,900.00	5,525.00
	\$31,800.00	\$30,800.62	\$29,900.00	\$31,275.00
(2) Kansas Conference Scholarship.....	500.00	500.00	500.00	500.00
Church Erection Society (United Brethren Church) .....	.....	.....	2,450.00	2,275.00
	\$32,300.00	\$31,300.62	\$32,850.00	\$34,050.00
Auxiliary Obligations				
(3) Westminster College				
Allegheny Trust Company	\$14,800.00	\$14,800.00	\$14,800.00	\$16,900.00
J. F. Wooden .....	.....	.....	500.00	500.00
Grand Total	\$47,100.00	\$46,100.62	\$48,150.00	\$51,450.00

(1) These obligations were made to provide extra help for Adrian, High Point, Westminster College and the Seminary during the second and third years of the depression. In order to reduce the pressure of the bank, loans were made from individuals and from the Board funds and the money used to decrease the note at the Allegheny Trust Company. The increase this year of \$1,375 was to meet a special challenge on the part of High Point College to the North Carolina Conference.

(2) Kansas City University was indebted to the Kansas Conference for certain scholarships. When our interests in the University were disposed of, it was agreed that \$500.00 should be set aside with the Board as a trust, the income to be used for the benefit of students attending Adrian College and coming from the old University area.

In the property turned over to us when liquidating our interest in Kansas City University, there was a will in which Adrian and the Board of Education shared jointly. A condition attached to the bequest required the payment of \$8,900.00 to the Church Erection Society of the United Brethren Church. This has been reduced to \$4,550.00, one-half of which or \$2,775.00 is our obligation. The income on the property bequeathed is being used to pay off

The receipts of this Department for its work are not confined to the World Service contributions. If they were little could be done for our colleges and seminary. In the table below the figures for the Ministerial and Student Loan Funds include income on invested funds, some gifts, and return payments on loans made to students. It is gratifying to know that the totals from all sources steadily increased during the quadrennium. Not because of increased World Service contributions but from other sources.

Board Funds	1933	1934	1935	1936	Total
World Service Fund.....	\$18,572.04	\$23,936.82	\$23,382.68	\$26,179.61	\$ 92,071.15
Ministerial Education Fund..	4,231.09	5,235.17	5,223.14	5,870.26	20,559.66
Student Loan Fund.....	1,837.09	2,621.02	6,847.08	4,366.47	15,671.66
General Education Fund....	1,447.20	1,192.02	1,628.83	1,631.07	5,899.12
Colored School	34.00	42.81	47.65	43.50	167.96
	<u>\$26,394.80</u>	<u>\$33,029.84</u>	<u>\$37,129.38</u>	<u>\$38,090.91</u>	<u>\$134,369.55</u>
Endowment Funds					
Adrian College	2,736.23	1,648.83	1,324.57	513.63	6,223.26
High Point College	217.50	358.00	23.50	98.61	697.61
Westminster College	565.13	512.22	531.02	750.44	2,358.81
Seminary	204.75	530.00	190.00	275.70	1,200.45
	<u>\$30,118.41</u>	<u>\$36,077.00</u>	<u>\$39,198.47</u>	<u>\$39,729.29</u>	<u>\$144,849.68</u>

Total Assets and Holdings

The following table gives a list under three headings of the funds held by the Board, part for its own specific responsibilities and part college and seminary endowments. In spite of reductions in some items, the total is greater today than four years ago. The influences at work to destroy such foundations seem to have spent their force.

The term "potential" may need explanation. These represent equities destined for our Board but which for certain reasons will not become unqualified property until later. Trusts, wills in process of settlement and similar equities are included.

Board Funds	1933	1934	1935	1936
Productive				
Ministerial Education Fund.....	\$ 53,390.37	\$ 51,369.94	\$ 53,835.46	\$ 56,931.14
General Education Fund.....	23,527.84	28,568.00	23,206.51	24,213.77
Student Loan Fund.....	19,600.81	18,805.64	22,633.91	25,578.36
Colored School Fund.....	628.00	634.84	886.37	960.22
Non-Productive				
Ministerial Education Fund.....	2,173.34	6,450.00	6,320.92	4,098.58
General Education Fund.....	16,741.25	12,291.25	18,008.75	17,958.75
Student Loan Fund.....	.....	1,306.50	1,306.50	.....
Colored School Fund.....	5,000.00	5,000.00	5,000.00	5,000.00
Potential				
Ministerial Education Fund.....	25,000.00	27,685.00	27,685.00	27,685.00
Total.....	<u>\$146,061.61</u>	<u>\$152,111.17</u>	<u>\$158,883.42</u>	<u>\$162,605.82</u>
Endowment Funds				
Adrian College	32,629.99	29,692.76	13,699.51	16,664.26
High Point College.....	1,314.50	1,314.50	2,014.50	4,121.00
Westminster College	10,668.40	10,791.26	11,033.26	11,680.00
Seminary	3,837.10	4,152.24	4,162.24	4,294.79
Grand Total	<u>\$194,511.60</u>	<u>\$198,061.93</u>	<u>\$189,792.93</u>	<u>\$199,365.87</u>

We Report Progress

Comparisons are sometimes encouraging. The progress made during the last dozen years should be gratifying to the church. Not all the holdings herewith listed are income producing but the great majority are and mean benefit not only to the work of the Board but also to the schools represented. Only those funds are included which have been and are being handled by this Department.

Board Funds	1924	1936	Increase
Ministerial Education Fund	\$ 50,545.31	\$ 61,029.72	\$ 10,484.41
General Education Fund		42,172.52	42,172.52
Student Loan Fund	1,000.00	25,578.36	24,578.36
Colored School Fund	3,000.00	5,960.22	2,960.22

Endowments			
High Point College		4,121.00	4,121.00
Westminster College		11,680.00	11,680.00
Seminary		4,294.79	4,294.79
	\$ 54,545.31	\$154,836.61	\$100,291.30

Annual average increase during the twelve years \$ 8,357.61

World Service Fund

The tendency of the World Service contributions to become smaller each year seems to have been checked. We might have anticipated a change for the better two years ago, but it did not come until this year. Whether or not this change in trend can be maintained remains to be seen. The grave unsettlement of industrial and business conditions as well as the confused political situation at home and abroad induce those with a surplus of funds to deliberate a long time before making benevolent contributions. The future seems to them clouded with misgivings and uncertainties. If some of these influences could be removed and greater confidence restored, the generous disposition of our people would speedily manifest itself. On the other hand many gladly give of their substance, even though extra sacrifices are required, because of their appreciation of the great work our Boards and other agencies are doing.

It is our conviction that in spite of the uncertainties with which we are surrounded, the future is more promising, and there is reasonable grounds for anticipating a more generous support of the World Service undertakings.

Investments

The handling of the investments of the Board has been in charge of the Executive Secretary and Mr. Charles A. Braun. The advice and counsel of the latter have been invaluable. We are greatly indebted also to the officers of the Allegheny Trust Co. who have given freely of their information and judgment. The result has been that instead of losses which many fiduciary organizations have suffered, each year has shown substantial profits and an increase in our invested funds. We have a few securities in default but all appear destined to resume payments within a reasonable length of time, except possibly in one case.

It is gratifying also that during the last four years we have had annually an increase in the income on our investments. This should continue. As a matter of record we are submitting herewith the record of the increase in our invested funds during the last twelve years.

the mortgage; to take care of the interest, and to make some distribution to Adrian and the Board.

(3) These are obligations of Westminster College but executed under the name of the Board of Education. The interest is paid partly by the Board and partly by the income from the endowment of the College.

Rally Day Receipts

These offerings continued to decline through the quadrennium until the last year when a slight increase was noticed. The expenses have been substantially reduced and seem to have reached a stable figure. The orders have begun to increase again so this Special Day should return soon to its former place in the program and use of our people.

	1932-33	1933-34	1934-35	1935-36
Alabama			5.00	
Arkansas		5.31		
Eastern	546.92	347.87	371.51	348.17
Florida	5.00			
Ft. Smith-Oklahoma				
Georgia		1.50		12.32
Iowa-Missouri	82.37	4.10	184.71	72.40
Illinois	168.70	160.43	123.16	201.02
Indiana	833.81	810.29	1,029.53	1,057.00
Kansas	198.66	143.08	163.99	105.56
Kentucky				
Louisiana	19.54	16.50	9.00	9.50
Maryland	3,864.64	2,889.25	2,975.95	3,149.76
Michigan	353.82	239.45	314.00	309.64
Mississippi	6.70			4.00
Missouri	34.47	46.96	65.28	54.51
North Carolina	181.62	153.69		198.62
Ohio	1,500.54	1,087.08	1,203.41	1,289.02
Onondaga	304.00	244.00	236.00	211.00
Pittsburgh	684.00	616.46	740.85	736.61
South Carolina .....				.71
Tennessee				
Texas	29.00	43.00	45.00	44.00
Texhoma	1.68	17.25		1.46
Washington Mission	40.00	20.00	45.00	50.00
West Virginia	191.51	358.68	244.43	246.87
Total Receipts	\$9,046.98	\$7,204.90	\$7,756.82	\$8,102.17
Expenses	1,034.37	780.99	759.38	775.54
Orders	502	416	496	503

Special Days

The plan authorized by the last General Conference giving three special days to the Board of Missions and three to the Board of Christian Education has proven very much worth while. It gave our people the usual opportunity to make offerings for World Service and to visualize and understand better the complete unity of our great missionary, educational and benevolent undertakings. Every possible co-operative effort has been given to make these days significant, inspirational, instructive and stimulating. What effect these efforts have had is hard to determine for the offerings continued to decline until the last year of the quadrennium when a small increase was noted.

Rally Day was given to this Department to promote, program material being furnished and suggestions to guide in the preparation for the observance of the day. We have reason to be encouraged over the attitude of the church toward our publications and the values they find in them. Even though the offerings have not increased the orders have indicated a widening appreciation of the material provided. It is reasonable to expect that as business conditions improve so will the gifts of Christian people.

OUR EDUCATIONAL FINANCIAL NEEDS

In order to meet the needs of the Department to properly carry on its work and to place our schools in a position to meet the demands of their opportunities and of the standardizing agencies, a larger income is imperative. The following figures are not guess-work or an extravagant notion of an educational millennium, but are the result of careful study and years of observation. Give the Board and our schools this financial help and their service would be increased many fold.

Department Needs

Office expenses	\$ 1,500.00
Ministerial Education Income	3,500.00
Student Loan Fund Income.....	2,500.00
Interest on loans.....	2,750.00
Curtailement of loans (annually).....	5,000.00
Additional office equipment.....	750.00
Total.....	\$16,000.00

The first item is necessary to provide extra help and to increase our promotional work. The other items are self-explanatory.

Board Obligations

These were created to take care of our schools during the earlier years of the depression. They have been slightly reduced, nothing being paid in 1935-36. The Board is reluctant to use World Service receipts when the needs of the colleges and seminary are so acute. A recommendation will be made to the General Conference proposing a method to liquidate these burdensome obligations.

Board Invested Funds

	1935-1936	Needed	Total
Ministerial Education Fund	\$ 61,029.72	\$ 38,970.28	\$100,000.00
Student Loan Fund	25,578.36	49,421.64	75,000.00
General Education Fund	42,172.52	82,827.48	125,000.00
	<u>\$128,780.60</u>	<u>\$171,219.40</u>	<u>\$300,000.00</u>

If these endowments were increased to the total in column three, the income would be close to enough to meet our present needs. Dependence upon World Service receipts will be necessary from time to time, as in the past, to meet our growing needs in this field of our service.

The Needs of Our Schools

	Required Income	Present Annual Av.	Needed
Seminary	\$ 12,500.00	\$ 6,000.00	\$ 6,500.00
Adrian	20,000.00	7,500.00	12,500.00
High Point	20,000.00	7,500.00	12,500.00
Westminster College	10,000.00	2,500.00	7,500.00
	<u>\$ 62,500.00</u>	<u>\$ 23,500.00</u>	<u>\$ 39,000.00</u>

By "required income" is meant the least these schools are expected to have in addition to income from student charges. The "present annual average" includes income on the endowment and annual appropriations from the Board. The last column shows the present annual deficit. This is partly taken care of by gifts, but mainly by the teachers who accept a salary scale less than their needs require and standardizing agencies demand. If they had not been willing to do this through the years, the schools would have had to close. As the World Service receipts increase, this situation can be corrected in some measure. The only way to cure the trouble is to enlarge the endowments.

Co-operative Interests

This quadrennium has provided the privilege of some cooperative activities which have been unusually profitable and gratifying. We continued our membership in the Council of Church Boards of Education and your Secretary is now in his second term as recording secretary of the Board. Rev. R. L. Kelly, D. D., after twenty-five years as Executive Secretary of the Council, resigned. He was succeeded by Dr. Gould Wickey who is carrying on the work with signal success.

The Council has reorganized, enlarged its membership, and launched upon a program of greater breadth and usefulness. Our association in this organization should be continued.

Last January an invitation was received from Dr. F. C. Eiselen, Corresponding Secretary of the Board of Education of the Methodist Episcopal Church to participate, with others of our Methodist Protestant educational leaders, in their annual meetings in New York. Representatives of the Methodist Episcopal Church, South, were included in the invitation and out of the conversations held at the time there developed an effort to co-ordinate our interests in a great Methodist Educational Conference to be held sometime this fall. It is our humble opinion that this movement promises great things for the cause of Methodist Christian higher education.

"Educational Flashlights"

This is a recent undertaking, a mimeographed bulletin of information designed to reach our educational and auxiliary leaders throughout the church to provide information and to stimulate a growing interest in and appreciation of the cause of Christian higher education. The response to this venture has been uniformly gratifying. Unless other and better arrangements can be made, this undertaking should be continued.

One of the outcomes of the conferences held in recent months with the educational leaders of the Methodist Episcopal Church and the Methodist Episcopal Church, South, is a plan to publish jointly, for gratuitous distribution, *Christian Education Magazine*. This magazine is published bi-monthly by the General Board of Christian Education of the Methodist Episcopal Church, South, and is one of the best publications of the kind issued in America. If satisfactory arrangements could be made between the three Boards it would be a valuable addition to the papers being distributed to the homes of our people. The Board of Christian Education is giving the matter careful consideration.

The Board

It is surely not out of place to express a word of appreciation of the faithful men and women whom the last General Conference selected to carry the responsibilities as members of the Board of Christian Education. No group could take such a responsibility more seriously or give their best more fully. It has been a genuine delight to be associated with them.

Rev. E. A. Sexsmith, D. D., was chosen president at the first meeting of the Board, immediately following the adjournment of the 1932 General Conference, and he has filled the position ever since with wisdom, grace, and a kindly spirit. Mr. Morton continued as recording secretary for two years when he resigned because of ill health and Rev. Frank Shaffer was elected to fill the vacancy. A vacancy was caused by the death of Mr. W. E. Flagg. No one was chosen to fill his place, due to the proximity of this General Conference.

The reason for this attitude is not difficult to find. All educational processes take time. The results come slowly, and only after years and generations of the utmost in effort. We want results! We must have them! Not tomorrow, but today. Therefore we resort to the immediate but superficial, the speedy but inadequate, the hurried but incomplete.

The Methodist Protestant Church is marching toward the goal of greater achievements in the field of Christian higher education. Progress is being made in every quarter of this field. We faced an emergency four years ago. That was serious enough. We have a greater one today. Equally serious financially. Equally serious so far as opportunities are concerned. But doubly serious because of the dangers to our own youth, those of our own hearts and homes, of our own beloved native land. Because some progress has been made, because there is evidence of improvement and recovery, shall we turn away with indifference and walk unmoved on the other side?

There are definite trends in the educational world. Only one needs our attention. It is well expressed in the question: Can the church keep her colleges? Not if she neglects them, starves them to death, refuses to give them the fostering care to which they are entitled. If parents become indifferent to their children, the children will become indifferent to them.

Finis

The one writing this report is closing nearly twelve years as a Secretary of the Board. No extended reference need be made to the overwhelming burdens and destructive anxieties brought to us by the depression. Nor need anything be added concerning the accomplishments. We have endeavored to give conscientious, consecrated and constructive service. The results are in the hands of Him, whose we are and whom we serve. In these closing words we would ask your indulgence to review the objectives we have tried to keep in mind.

To bring our colleges and seminary to the place of greatest possible usefulness.

To give to each institution greater financial security.

To promote a spirit of unity and friendship among our educational leaders.

To create a fund which should serve as an endowment for the Board.

To increase the appreciation of our Methodist Protestant people of the service being given by our colleges and seminary.

To develop our educational work to the point where it would strengthen every department of the church.

To assist in building up a real educational conscience among our people.

To broaden and deepen the areas of confidence, goodwill and peace.

Respectfully submitted,

Frank H. Stephenson

Endowments Needed

	Total Needed	Present Endowment	Additional Required
Seminary	\$ 200,000.00	\$ 88,559.86	\$ 111,440.14
Adrian	500,000.00	146,736.00	353,264.00
High Point	500,000.00	75,000.00	425,000.00
Westminster College	200,000.00	11,680.00	188,320.00
	<hr/> \$1,400,00.00	<hr/> \$ 321,975.86	<hr/> \$1,078,024.14

Western Maryland is omitted because her situation is somewhat better. Even so, she has reached the point where additional endowment funds are urgently needed. Her present productive endowment is slightly over \$750,000. If this could be increased to \$1,250,000 it would permit intensifying her program all along the line, and it should be done.

In the Meantime!

Situations like these cannot cure themselves. Our college and seminary executives are wearing themselves out trying to make the current budget balance. The work they are doing as agents of the church is Christian to the core and an essential and indispensable part of the Kingdom program. Why pillory them with our neglect and meagre gifts? Why break their hearts with our thoughtless criticism? Why turn over our youth to institutions unfriendly or indifferent to religion?

Instead of a paltry \$12,000 or \$15,000 to support them we should be giving three times this, and that would barely cover the actual amount given our own young people by the schools annually toward their education. We are asking more than we are either willing to give or willing to do! Is that fair? Is it just? Is it honorable?

* * * * *

Conclusion

"Christian higher education is the major task of the church." This should be emphasized and repeatedly emphasized. President Arlo Ayres Brown of Drew University said at the inauguration of President Holloway, "Jesus pinned his faith to educational processes." We do the same in our homes, in our schools, in our missionary work, in our Leadership Training Schools and in our colleges. We believe in these things—but not too much!

Unquestionably we are drifting away from the old time revival methods. Whether this is to be regretted or to be praised will depend upon the point of view of the individual. It is agreed, however, that evangelism of all kinds needs more of the spirit of education and education could well absorb more of the spirit of evangelism. We need the education of evangelism and we need also the evangelism of education. They go hand in hand and are indispensable in any true endeavor to build the Kingdom of God.

It is equally undeniable that there is a greater emphasis upon the educational processes than ever before. Some are disposed to lament this on the supposition that the spirit of education is antagonistic to the spirit of evangelism; that education quenches religious enthusiasm. That depends upon the kind of education being considered. If it is materialistic education there is ground for complaint. If it is Christian education, the kind which catches its inspiration from the greatest Teacher of all, that is a different matter. It is this kind of education in which we are interested, to which we are devoted, and which is at the heart of the Christian movement.

The church has never given Christian education a chance. It has concentrated its best thought on organization, ritual, doctrine, social reforms, missions, philanthropies and various forms of evangelism. Money and effort in abundance have been lavished upon these things. But the *major task* of education, the one thing our Lord did above everything else, has been too long neglected, employed superficially or undertaken half heartedly.